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CONFIDENTIAL**CENTRAL INTELLIGENCE AGENCY
Office of Current Intelligence
16 December 1963****MEMORANDUM**

SUBJECT: Probable Communist and Free World Reaction to the Kilsman "Open Door" Speech on Communist China

1. Peiping's propaganda reaction to the speech has been swift and hostile. The Chinese, for example, quickly labeled it evidence that the US plans to intensify its "double-faced maneuvers" against Communist China. Seizing on passages in the speech which underscored American determination to continue support of the Chiang Kai-shek government, the Chinese implied that the persistence of this policy in fact closes the door to any improvement in US-Peiping relations.
2. Peiping's reaction makes it clear that the speech will not occasion a change in official Chinese Communist policy toward the US. Peiping may, however, go beyond its initial commentary and attempt to use the speech as a vehicle for sharpening the routine Chinese propaganda campaign of invective against Washington.
3. The Chinese may take a somewhat different tack on the speech in their behind-the-scenes effort to garner broader Free World political and commercial contacts with China. They may seek to gain some leverage in this regard by citing the speech as an omen of a possible future softening in US policy toward China. The Chinese may also find the speech useful in their attempts to elicit support against Moscow among world Communist parties. Here they might cite, in support of their own charges against Moscow, passages in the speech which indicate a US belief that Soviet policy on negotiations with the West, revolutionary war, etc., has moderated. Peiping holds to the view that all "true" Communists must reject moderation lest their leverage with the "imperialists" be seriously impaired.

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4. Free World commentary on the speech has so far been limited. The reaction from this quarter, however, will probably be generally favorable. Both France and Britain, for example, have urged greater US flexibility on the China problem, and will doubtless view the speech as an encouraging sign. It will probably be studied with particular care by the French who are currently seeking improved economic and cultural relations with China. Some governments may be inclined to read more into the speech than was probably intended, and to assume that new decisions on China policy have been made by the US government.

5. Most Free World nations will probably call support from the speech for whatever policy they now pursue toward Peiping by dint of their national interests. Japan, and others interested in trade with Communist China, will be encouraged by the "open door" concept advanced, while US allies such as South Vietnam, who are currently confronted with Chinese-backed aggression, will look to the reaffirmation in the speech that the US sees no current prospects for a rapprochement with China.

6. The Chinese Nationalists will almost certainly be critical of the speech. The government controlled press in Taipei took an acerbic tone toward President Kennedy's 16 November press conference statement that the US would be willing to "reappraise its policies" toward Peiping when the Chinese indicated a desire "to live at peace with the US." Taipei has frequently expressed the belief that a Chinese Communist collapse is imminent, and will doubtless also take umbrage at the passage in the Hilsman speech which indicated that the US does not foresee any present likelihood that the Peiping regime will be overthrown.

7. The Nationalist reaction, on the other hand, will be tempered by the renewed pledge of support to Taipei, and by the attention drawn to Chinese Nationalist economic and political achievements on Taiwan. Although a Nationalist diplomatic inquiry may be forthcoming concerning the policy implications of the speech, overall official US-Taipei relations are unlikely to be affected.

8. In general, the domestic and foreign prospects for Communist China set forward in the speech

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appear quite valid. We would suggest, however, some caution toward the implication that future Chinese leaders may prove more moderate in their domestic and world outlook than those currently in power. Actually, so little is known of the personalities and beliefs of the second echelon and middle level leaders in Communist China that an estimate of their probable future behavior cannot be offered with confidence.

3. Several of the studies which have been conducted on the question, however, indicate that the leaders now below the top level, by dint of their very parochial experience and long conditioning under the present leadership, may prove to be just as insular, if not more so, than those presently at the helm. We do look forward with some confidence when a full new group of leaders takes power to a loosening in the remarkable cohesiveness which has characterized the Peking leadership during the past 15 years. A greater role in policy-making may also be taken by economic and scientific specialists at that time.

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